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Message Text

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PASS OES FOR PROCHNIK; ERDA FOR SIEVERING, VANDERRYN

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TAGS: TGEN, OECD
SUBJECT: RECIPROCITY AND BALANCE OF OBLIGATIONS UNDER IEA R&D PROGRAMS - HYDROGEN PRODUCTION

1. BEGIN SUMMARY - THIRD MEETING OF IEA WORKING PARTY ON HYDROGEN PRODUCTION WAS HELD AT OECD, NOVEMBER 19, 1976. ONE PURPOSE OF MEETING WAS TO ASCERTAIN LEVEL OF SUPPORT WHICH MIGHT BE EXPECTED FOR THREE TECHNICAL PROPOSALS FOR COOPERATIVE PROJECTS IN THE FIELD OF HYDROGEN PRODUCTION ELECTROLYSIS, WHICH HAD BEEN DEVELOPED BY THE COORDINATING COMMITTEE ON ELECTROLYTIC PROCESSES. IN THE COURSE OF DISCUSSIONS ON THIS POINT, A SUBSTANTIVE POLICY ISSUE RELATING TO GENERAL ISSUE OF RECIPROCITY AND BALANCE OF OBLIGATIONS UNDER IEA R&D PROGRAM EMERGED. MISSION OBSERVATIONS AND COMMENTS ON THIS ASPECT OF MEETING FOLLOW. END SUMMARY.

2. THE ISSUE WAS INITIALLY BROACHED BY THE ITALIAN DELEGATE, WHEN HE SUGGESTED COMBINING THE THREE SEPARATE PROPOSALS FOR COOPERATION IN THE FIELD OF ELECTROLYTIC PROCESSES INTO A SINGLE TECHNICAL ANNEX. THIS PROCEDURE WOULD ENSURE THAT INFORMATION OBTAINED IN ANY OF THE THREE WORK AREAS WOULD BE EQUALLY
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SHARED BY ALL PARTICIPANTS EVEN THOUGH THEY MIGHT

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CONTRIBUTE MINIMALLY TO ONLY A SINGLE EFFORT. THE ITALIAN DELEGATE BELIEVED THAT BROAD DISSEMINATION AND ACCESS TO INFORMATION GENERATED WAS PARTICULARLY IMPORTANT BECAUSE OF SIMILARITIES IN APPROACH AND OVERLAPPING TECHNICAL PROBLEMS IN THE PROGRAMS UNDER CONSIDERATION. (IT DEVELOPED, LATER, THAT ITALY WAS PREPARED TO CONTRIBUTE TO ONLY ONE OF THE THREE PROPOSED PROJECTS.) THE PROPOSAL FOR A SINGLE ANNEX WAS ALSO ENDORSED BY THE JAPANESE REPRESENTATIVE, WHO AT THE SAME TIME EXPRESSED CONSIDERABLE INTEREST IN ONE SUBJECT AREA AND PERIPHERAL INTEREST IN ANOTHER. ALTHOUGH THE U.S. INTENDS TO CONTRIBUTE TO AND PARTICIPATE IN ALL THREE PROGRAMS, U.S. REPRESENTATIVE (SALZANO OF BROOKHAVEN NATIONAL LABORATORY), SUPPORTED IDEA FOR A SINGLE ANNEX. THE PRINCIPAL RESISTANCE TO SUCH AN AMALGAMATION CAME FROM THE IEA SECRETARIAT WHO NOTED THAT, IN THE PAST, IEA AGREEMENTS HAD BEEN BASED UPON THE PRINCIPLE OF QUID-PRO-QUO SHARING.

3. A VERY MUCH RELATED AND RELEVANT ISSUE, THE HOLDING OF PATENTS BY THE U.S. GENERAL ELECTRIC COMPANY IN ONE OF THE PROPOSED AREAS OF COOPERATION (SOLID POLYMER ELECTROLYTES) WAS ALSO DISCUSSED. THE POSSIBILITY THAT EXTENSIVE SHARING OF RESULTS MIGHT POSE PROBLEMS AS WELL AS DETER INDUSTRIAL PARTICIPATION WAS DISMISSED AS UNLIKELY BY BOTH THE U.S. AND ITALIAN DELEGATES. THIS VIEW WAS ALSO SHARED BY SEVERAL OTHER COUNTRIES. (IT IS NOTED THAT A HIGH LEVEL OF INTERNATIONAL PRIVATE SECTOR INTEREST HAS BEEN STIMULATED BY THE IEA INITIATIVE IN THE FIELD OF ELECTROLYSIS.)

4. BECAUSE IT WAS JUDGED NECESSARY TO FIRST COMPILE A PRECISE LIST OF PROBABLE ACTIVITIES AND PARTICIPANTS, RESOLUTION OF THE SINGLE ANNEX ISSUE WAS DEFERRED AT LEAST UNTIL EARLY FEBRUARY. SALZANO VOLUNTEERED TO COLLECT AND ASSEMBLE THE REQUISITE MATERIAL BY THAT TIME. THE INFORMATION WILL THEN BE PRESENTED TO THE COORDINATING COMMITTEE ON ELECTROLYTIC PROCESSES FOR THEIR CONSIDERATION.
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5. MISSION NOTES THAT, IN THE PAST, BASIC U.S. POLICY ON IEA R&D COOPERATION HAS BEEN TO ACHIEVE RECIPROCITY IN TERMS OF OVERALL BENEFITS, OBLIGATIONS AND CONTRIBUTIONS. WE BELIEVE THAT IN THIS INSTANCE THE TECHNICAL ADVANTAGES CITED FOR CONSOLIDATION OF THE WORK PROGRAMS ARE INSUFFICIENT TO JUSTIFY THE INBALANCE IN TERMS OF BENEFITS

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AND OBLIGATIONS WHICH WOULD RESULT: ALL ELECTRO-CHEMICAL PROCESSES CONTAIN ELEMENTS OF COMMONALITY. HOWEVER, THE BASIC TECHNOLOGY COMPONENTS SUCH AS ELECTRODE AND CELL CONSTRUCTION MATERIALS, ELECTROLYTE AND CATALYSTS, CAN VARY GREATLY FROM SYSTEM TO SYSTEM, CALLING FOR WIDELY DIFFERING DEVELOPMENT PROGRAMS. THE SYSTEMS UNDER CONSIDERATION ARE PARTICULARLY GOOD ILLUSTRATIONS OF THIS. THE ELECTROLYTES HAVE A WIDE RANGE OF PHYSICAL AND CHEMICAL PROPERTIES. ONE IS A SOLID POLYMER ELECTROLYTE, THE OTHER A SOLID OXIDE, WHILE THE THIRD IS ALKALINE WATER. EQUALLY SIGNIFI-CANT, THE SOLID OXIDE SYSTEM OPERATES AT VERY HIGH TEMPERATURE, THE OTHER TWO AT MUCH LOWER TEMPERATURES AND WIDELY DIFFERING PRESSURES.

FURTHERMORE, REGARDING INDUSTRIAL PARTICIPATION, THE DECREASE IN EFFORT WHICH WILL RESULT FROM EASY ACCESSIBILITY TO PROGRAM INFORMATION SHOULD NOT BE MINIMIZED. ALKALINE WATER TECHNOLOGY IS WIDELY EMPLOYED IN INDUSTRY. COMMERCIAL INTERESTS ARE SUBS-TANTIAL, PARTICULARLY REGARDING ADVANCED TECHNOLOGY APPLICATIONS, AND IT IS LIKELY THAT INDUSTRIAL INVOLVE-MENT WILL BE FACILITATED BY LIMITED EXCHANGES INVOLV-

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ING QUID-PRO-QUO ARRANGEMENTS. IN ADDITION, INDUSTRY
USUALLY MANAGES TO KEEP ABREAST OF GENERALLY FAVORABLE
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DEVELOPMENTS IN FIELDS OF INTEREST. THUS, FROM A
COMMERCIALIZATION POINT OF VIEW, LITTLE SHOULD BE LOST
BY RESTRICTING PARTICIPATION. OF COURSE, IT SHOULD BE
KEPT IN MIND THAT CERTAIN COUNTRIES, WHOSE PARTICIPA-
TION WE MAY CONSIDER DESIRABLE, MAY HAVE VERY MODEST
RESOURCES AND TECHNOLOGY TO CONTRIBUTE.

6. COMMENT: MISSION BELIEVES IT POSSIBLE THAT POSI-
TION TAKEN BY U.S. AND ITALIAN DELEGATES MAY SIMPLY
HAVE REFLECTED THE TRADITIONAL SCIENTIFIC INTERESTS OF
NATIONAL R&D LABORATORIES (BNL AND ISPRA) FROM WHOSE
VANTAGE POINT, BROAD DISSEMINATION OF INFORMATION IS
ALWAYS BENEFICIAL. HOWEVER, WE THINK THAT THE FORE-
GOING SITUATION CONCERNING APPROPRIATE RECIPROCITY OF
OBLIGATION TOUCHES ON A GENERAL PROBLEM WHICH THE USG
SHOULD ADDRESS. INCREASINGLY IN THE ENERGY R&D FIELD
THE UNITED STATES IS LIKELY TO FIND ITSELF REPRESENTED
BY TECHNICAL EXPERTS WHO MAY NOT FULLY APPRECIATE ALL
THE GENERAL, POLITICAL AND ECONOMIC CONSIDERATIONS
UNDERLYING THE IEA'S R&D COOPERATION PROGRAM. THERE
ARE INDEED CONSIDERATIONS WITH REGARD TO RECIPROCITY
OF OBLIGATIONS AND BENEFITS WHICH MAY AT TIMES RUN
COUNTER TO EACH OTHER. WHILE A BALANCE IN CONTRIBU-
TIONS IS IMPORTANT TO US BECAUSE IT MAKES THE PROGRAM
MORE SUSTAINABLE OVER THE LONG TERM, AND BECAUSE IT IS
MORE DEFENSIBLE DOMESTICALLY, IT ALSO IS TRUE THAT
MAXIMUM DISSEMINATION OF R&D INFORMATION WITHOUT
UNDUE REGARD FOR LEVEL OF CONTRIBUTION AT TIMES
CAN BE IMPORTANT IN ITS OWN RIGHT IF IT HELPS CONSO-
LIDATE ENERGY CONSUMER COUNTRY COOPERATION AND
IMPROVES THE CONSUMER COUNTRY ENERGY POSTURE AS A
WHOLE.

AS WE SEE IT, THERE ARE AT LEAST THREE POSSIBLE SOLU-
TIONS TO THIS PROBLEM:1)IF IT IS POSSIBLE TO CRYS-
TALLIZE GUIDELINES ON THE RECIPROCITY ISSUE, THEN
GENERAL INSTRUCTIONS COULD BE WRITTEN, ON THE BASIS
OF WHICH THE U.S. MISSION COULD PROVIDE TECHNICAL
EXPERTS WITH GUIDANCE. (2) ALTERNATIVELY, WASHINGTON
MAY WISH TO CONSIDER BRIEFING SUCH REPRESENTATIVES ON
A CASE-BY-CASE BASIS BEFORE DEPARTURE OR (3) ISSUING
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BLANKET INSTRUCTIONS TO ALL SUCH REPRESENTATIVES THAT
WHEN ISSUES OF RECIPROCAL CONTRIBUTIONS AND ACCESS TO
R&D ARISE AT MEETINGS THEY SHOULD RESERVE AND SEEK
GUIDANCE.
TURNER

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